

FISCAL NOTE

SB 2788 - HB 2468

March 1, 2000

SUMMARY OF BILL:

1. Requires that any non-resident person who engages in a logging operation in any area in excess of 50 acres shall submit an acceptable bond to the Department of Environment and Conservation to insure the performance of the duties of such person to clean up any pollution caused by logging operation, and for the protection of the public health, welfare, and the environment of the state. Logging operations may not begin until the Department of Environment and Conservation has approved the bond. The bond shall be set in the amount of \$200 per acre for each acre in which logging operation may occur, with a minimum bond of \$10,000 and a maximum bond of \$75,000. A separate bond shall be posted for each logging operation in an area in excess of 50 acres.
2. Clarifies *NON-RESIDENT* to mean having a principal residence or principal place of business outside the State of Tennessee
3. Authorizes the Commissioner to petition the chancery court of any county for forfeiture of the bond in which any operation or any portion of a logging operation occurs and the department determines that:
 - a continuation of the operation presents a threat to public health or is causing or will cause pollution;
 - all reasonable and practical efforts have been made to obtain corrective action from responsible persons;
 - it does not appear that corrective actions can or will be taken within an appropriate time period or it appears the logging operation has been abandoned.
4. Provides that proceeds from the forfeited bond shall be paid to the court and used in combination with any other remedies to correct and mitigate the pollution.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$151,000 Recurring
\$20,000 One-Time**

Estimate assumes increased expenditures for 4 positions and related expenses to enforce provisions of the bill in the Department of Environment and Conservation.

For information purposes, there are approximately 4,750 active logging operations in Tennessee. Approximately 300 operations are run by non-resident loggers on sites greater than 50 acres.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

SB 2788 - HB 2468